

TENNESSEE LOCAL DEVELOPMENT AUTHORITY
JUNE 22, 2012
AGENDA

1. Call Meeting to Order
2. QECB update and request for approval of the allocations to large local jurisdictions
3. Other Business
4. Adjourn

TENNESSEE LOCAL DEVELOPMENT AUTHORITY

June 22, 2012

The Tennessee Local Development Authority (the "Authority") met on June 22, 2012, at 2:30 p.m., in Room 29, Legislative Plaza, Nashville, Tennessee. The following members were present:

The Honorable Tre Hargett, Secretary of State
The Honorable Justin P. Wilson, Comptroller of the Treasury
Mr. Josh Stites, proxy of the Honorable David Lillard, State Treasurer
Mr. John Carr, proxy of Commissioner Mark Emkes, Department of Finance and Administration
Mr. Pat Wolfe, Senate Appointee (via phone)
Ms. Betsy Crossley, House Appointee (via phone)

The following member was absent:

The Honorable Bill Haslam, Governor

Seeing a quorum physically present, Mr. Hargett called the meeting to order. He stated that the first agenda item was an update and request for approval of the allocations of the Qualified Energy Conservation Bonds (QECB) to large local jurisdictions (LLJs). Ms. Ann Butterworth, Assistant Secretary to the Authority, stated that Public Chapter 957 had been enacted. She stated that the language had been modified in the statute to allow the Authority to make allocations from a list of recommended allocations presented to it by the Department of Economic and Community Development (ECD). She stated that in doing this, ECD would consider both state and local government projects and issuers when developing recommendations. Ms. Butterworth stated also that the Authority had the power and was authorized to issue bonds for qualified energy conservation projects as capital projects. She stated that the new legislation would take effect July 1, 2012, and that any action during this meeting would fall under the previous legislation. She stated that a representative from ECD would present the requirements under federal law as well as their request to the Authority to make allocations from their recommendation list.

Mr. Paul Fassbender, Assistant Commissioner of ECD, asked that the Authority approve the allocations as presented. He stated that the amount of direct allocations to large local governments was approximately \$36,000,000 and the amount to be sub-allocated by the State would be approximately \$28,000,000. He stated that the large local governments would be responsible for issuing their bonds, while the state would be responsible for issuing an amount as the sub-allocation. He stated that the governor's office was considering options for the state's sub-allocation.

Mr. Hargett asked if ECD was prepared to send a notification at this time to all of the LLJs to notify them of their direct allocation so that the LLJs could respond as to whether they planned to use their allocation. Mr. Fassbender responded affirmatively. Mr. Hargett asked if the local government jurisdictions were required to respond within a time frame or by a certain deadline. Ms. Molly Cripps, Director of the Energy Division for ECD, stated that neither federal nor state legislation provided a specific deadline for the LLJs response. She further stated that a letter, included in the packets of information to be sent to the LLJs requested that the LLJs respond by October 5, 2012 with their intent to use the allocation. Mr. Wilson asked if the allocation had been reviewed by the attorney general. Ms. Butterworth stated that it had. Mr. Wilson moved approval of the allocations to the LLJs. Mr. Hargett seconded the motion.

A roll call vote was taken:

Mr. Wilson – Yes
Mr. Stites – Yes
Mr. Carr – Yes
Mr. Hargett – Yes
Ms. Crossley – Yes
Mr. Wolfe – Yes

Mr. Hargett called for other business. Hearing none, he adjourned the meeting.

Approved on this _____ day of _____, 2012.

Respectfully submitted,

Mary-Margaret Collier
Assistant Secretary